

July 3, 2019

Office of General Counsel, Rules Docket Clerk Department of Housing and Urban Development 451 7th Street SW, Room 10276 Washington, DC 20410-0500

Re: HUD Docket No. FR-6124-P-01, RIN 2501-AD89 Comments in Response to Proposed Rulemaking: Housing and Community Development Act of 1980: Verification of Eligible Status

To Whom It May Concern:

I am writing on behalf of Enterprise Community Partners (Enterprise) in response to the Department of Housing and Urban Development's proposed rule to express objection to the changes regarding "verification of eligible status," published in the Federal Register on May 10, 2019 (RIN 2501-AD89; HUD Docket No. FR-6124-P-01). As an organization dedicated to creating opportunity for people through affordable housing, Enterprise opposes this proposed rule because we understand that it would lead to the eviction of families and threaten the housing assistance of households that remain eligible for assistance. We urge HUD to withdraw the rule in its entirety.

As a proven and powerful national social enterprise, we bring together nationwide know-how, partners, policy leadership, and investment to multiply the impact of local affordable housing development. Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. Since 1982, we have raised and invested \$43.7 billion in equity, grants and loans to help build and preserve nearly 585,000 affordable homes. We work in communities nationwide; in addition to our Washington, D.C. and Columbia, Maryland offices, Enterprise has 10 local offices where we work closely with mayors, state housing finance agencies, public housing authorities, local community development corporations, and many other state and local partners.

The proposed rule threatens to undermine the well-being of low-income U.S. citizens, immigrants, and their families. The proposed rule places tens of thousands of immigrant families at risk of homelessness, leading to both short-term and long-term health implications for all involved. The rule would force mixed-status families to make an impossible decision with serious health implications. Families would need to break up to allow family members to continue receiving assistance. Family separation undermines family stability, leading to toxic stress, trauma, and attachment issues in children. Alternatively, families would need to forego the subsidies in order to stay together, which would destabilize their housing and put them at risk of experiencing homelessness. Since 70% of mixed-status families currently receiving HUD assistance are composed of eligible children and at least one ineligible parent, it is likely that these families will forgo the subsidies to avoid separation, as HUD noted in the regulatory impact analysis.

These outcomes will not only hurt families while they struggle to find housing in the short-term but will also lead to reduced opportunities and increased problems with health and well-being for these families in the long-term. Having safe and stable housing is crucial to a person's good health, sustaining employment, and overall self-sufficiency. These effects will be particularly prominent in the children, nearly all of whom are U.S. citizens, in these mixed-status families. Housing instability impacts a child's cognitive development and educational attainment. A stable home provides for quality family time, a place to do homework, a shared meal, a good night's sleep and a bath, and countless other healthy and necessary activities that allow children and adults to succeed at school, at work, and in their communities—and all of which this proposed rule aims to take away from tens of thousands of families. Whether a child grows up in an urban, rural, or suburban community, children faced with eviction, family separation, and/or homelessness will suffer from the associated trauma.

Not only would this proposed rule come at a cost to the impacted families, but it would also lead to new costs and burdens on taxpayers and our social sector systems and programs. HUD's own analysis concludes that to rigorously evict mixed-status families, taxpayers will pay between \$3.3 million to \$4.4 million. This cost does not include the burden placed on public housing authorities and landlords who would be responsible for carrying out much of the rule's implementation. Landlords, property owners, and housing authorities would face increased administrative costs for participating in federal housing assistance programs. These programs rely heavily on good partnerships between local agencies and landlords to provide stability and housing for residents. In addition, homeless shelters, many of which already lack sufficient capacity and resources, will be stretched even further due to an increase need of shelter space, and federal programs to help the homeless and provide a safety net are already underfunded. In short, this rule will cause more harm to programs than it will help.

We believe HUD could better achieve its objectives of serving American families by scaling up programs and policies that work to address the needs of underserved communities. Enterprise strongly opposes the proposed amendments, and we urge HUD to withdraw the rule.

For further questions, please contact me at <u>mmcfadden@enterprisecommunity.org</u> or Sarah Brundage, Senior Director, Public Policy at <u>sbrundage@enterprisecommunity.org</u>.

Sincerely,

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Senior Vice President, Public Policy

Enterprise Community Partners

¹ 6124-P-01 Housing and Community Development of 1980 Verification of Eligible Status RIA 5.8.19